

DAY L. MERRILL

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Richmond Hill, Ontario L4C 7M4

MUR # 5624

SENSITIVE

November 1, 2004

Federal Election Commission
Office of the General Counsel
999 E Street, NW
Washington, D.C. 20463
USA

Re: Request for Investigation of Possible Violations of FEC Campaign Finance Law

I am a U.S. citizen and registered voter in Orange County, New York. In the course of participating in the primary and general election campaigns of Michael Jaliman, Democratic candidate for the 19th Congressional District House of Representatives seat, my partner, Michael Locey (also a U.S. citizen) and I became aware of a number of potential violations of FEC regulations. While we attempted to influence the candidate to conduct a campaign in a forthright manner, our recommendations were dismissed.

In a telephone conversation today with an Information Specialist at the FEC in Washington, DC, I was told that suspected violations of campaign finance law should be reported to the Office of the General Counsel of the FEC office. In addition to this email, you will be receiving a notarized letter indicating the following specific concerns, in chronological order of occurrence:

1. On August 26, 2004, we advised Mr. Jaliman that his failure to date to file primary campaign finance information was ill advised, and possibly illegal. We recommended immediate attention to the matter, which was ignored. While Mr. Jaliman did meet the October 15 FEC filing deadline, we cannot speak to the veracity of the information he provided. It is our understanding that all monies loaned, donated and spent and all labor, paid and unpaid are to be reported. The current posting on the FEC website does not appear to represent all relevant information.
2. On or about October 4, Mr. Jaliman made the request of Campaign Webmaster John Lansdale and Campaign Web Designer Michael Locey to set up an on-line donation capability using VeriSign Payflow that would divert funds collected from on-line campaign donations into an account in the name of Mr. Jaliman's mother, Reva Jaliman. While both Mr. Lansdale and Mr. Locey refused to be a party to what appeared to be illegal activity, Website access has since been cut off for Mr. Locey, so there is no way we can attest to the legality of financial activity in this regard.
3. On or about October 17, Mr. Jaliman informed Mr. Locey and myself in a telephone conversation that he had been in contact with a production company that was going to produce political commercials for his website and a cable television campaign. He indicated at the time that he was also planning to create commercials for his consulting firm, Innovation Consultants, and to air them on cable TV to get around rules governing political advertising. Since we had left the Jaliman for Congress campaign as of October 15, we were no longer in a position to make recommendations.

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4. On October 27, Mr. Jaliman's Campaign Coordinator, Phil Liebman, contacted us regarding a confidentiality agreement Mr. Jaliman was demanding as a condition of payment to us for services rendered to the Jaliman for Congress campaign. Mr. Liebman asked for a revision of a previously accepted confidentiality agreement to indicate that Mr. Jaliman wanted the agreement redrafted to represent that our services had been to Innovation Consultants, as we would be paid through Mr. Jaliman's consulting firm. We refused on the grounds that we were unwilling to lie about our relationship to the Jaliman for Congress campaign, as such a misrepresentation could be in violation not only of FEC campaign finance law, but possibly the Internal Revenue Service tax code.

We informed Mr. Jaliman by email on October 27 that we were unwilling to be a party to deception, and that we intended to take the matter up with the appropriate authorities.

Please let us know what additional information you require to undertake any investigation you deem appropriate.

Thank you,

Day L. Merrill

Day Merrill

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PCN
SUBSCRIBED ~~AND SIGNED~~ AND SWORN
BEFORE ME AT RICHMOND HILL
ONTARIO CANADA THIS 19th
OF NOVEMBER, 2004.

[Signature]
NOTARY PUBLIC (BEING A LAWYER)

PATRICK C. HENGEN
10330 YONGE STREET
RICHMOND HILL, ONTARIO
L4C 5N1